

FINAL STATEMENT OF REASONS

UPDATE OF INITIAL STATEMENT OF REASONS

The entire text of the Initial Statement of Reasons is incorporated herein by reference.

TECHNICAL, THEORETICAL, AND/OR EMPIRICAL STUDY, REPORTS, OR DOCUMENTS

In the Initial Statement of Reasons, the Board relied on the following documents in drafting and proposing the adoption of the proposed regulation:

- (1) Memorandum dated February 20, 2018, from Timothy M. Corcoran and Robin Parker to the Policy and Procedure Committee regarding the Consideration of Proposed Regulation
- (2) California Code of Regulations, Title 1, section 1034
- (3) California Code of Regulations, Title 2, section 56.2
- (4) California Code of Regulations, Title 8, section 10453

LOCAL MANDATE DETERMINATION

The proposed regulations do not impose any mandate on local agencies or school districts.

COMMENTS RECEIVED DURING THE INITIAL NOTICE PERIOD THE TEXT WAS AVAILABLE TO THE PUBLIC

The text was made available to the public from May 4, 2018, through June 18, 2018. The Board did not receive any comments on the text prior to the close of the comment period.

ALTERNATIVES THAT WOULD LESSEN ADVERSE ECONOMIC IMPACT ON SMALL BUSINESS

No alternatives were proposed to the Board that would lessen any adverse economic impact on small business.

ALTERNATIVES DETERMINATION

The Board has determined that no alternative it considered would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed

action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

The amendments adopted by the Board are the only regulatory provisions identified by the Board that accomplish the goal of clarifying case management and allowing the Board to continue to quickly and economically resolve statutorily enumerated disputes between new motor vehicle dealers (franchisees) and their manufacturers or distributors (franchisors) by eliminating the requirement of a declaration of prejudice when filing peremptory challenges as well as clarifying that a peremptory challenge is only authorized to challenge the assignment of an Administrative Law Judge for a merits hearing. No other alternative has been proposed or otherwise brought to the Board's attention.